

March 27, 2003

MEMO

TO: Chairman Bill Young

FR: Dave Obey

RE: Analysis of Unmet Needs for Strengthening Homeland Security

I very much appreciate your willingness to work together to see if we can reach agreement on the content of a supplemental appropriation funding the Iraq war, the war on terrorism and enhancing homeland security.

I am principally concerned about two areas. One is the extremely broad and unprecedented authorities the administration is seeking to spend appropriated funds without a specific understanding with the Congress about the purposes for which the funds will be spent. These authorities would make it extremely difficult for the Congress to meet its Constitutional obligations as a coequal branch of government charged with maintaining the public purse strings.

The second is the concern that the amounts which the Administration has requested for Homeland security leaving many pressing needs unmet at a time in which threats against the American people seem to be rising. In order to facilitate our discussions I have asked my staff to identify areas of greatest concern and estimate the amount of funds that would be required to address these concerns or at least the amounts which the agencies in question could readily absorb and effectively use. I am attaching the results of that exercise with the understanding that your staff may see different priorities and that constraints on the overall size of the supplemental may mean that some of these concerns cannot be fully addressed in the context of this bill.

In summary we have identified \$10.5 billion in security needs. We believe that the administration proposal contains only \$3.8 billion rather than the \$4.25 billion that the White House has stated since \$.5 billion of their request covers the cost of Coast Guard activities in the Persian Gulf rather

than the protection of American ports or waterways. According to the analysis, there are \$6.7 billion in needed security upgrades including \$1.2 billion in planned improvements in security at U.S. military installations here in the United States and \$5.5 for a range of civilian security requirements including improving the FBI's analytical capabilities, upgrading security in our ports, accelerating the installation baggage screening equipment, protecting critical infrastructure and securing nuclear materials that could be used as weapons in the hands of terrorists. Please contact me or my staff if we can provide further information regarding the attached analysis.

I sincerely hope we can get together on these two clusters of issues on a bipartisan basis.

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DEFENSE

Defense

- Each of the services has submitted to the House Armed Services Committee a list of “unfunded” requirements. Among these lists are numerous items relating to security, anti-terrorism and force protection that would normally be funded through the Defense appropriations bill.
- Army: +\$585 million is needed for base support funding to increase force protection and anti-terrorism projects at existing facilities.
- Navy and Marine Corps: +\$63 million. The Navy has identified \$38 million in requirements for force protection totally, which would include enhancing detection of “swimmers”, ammunition used for homeland protection, and chemical-biological-radiological protective equipment. The Marine Corps needs an additional \$25 million for purchase of real estate easements to prevent encroachment near its bases, and to provide individual first aid kits.
- Air Force: +\$507.8 million. \$451 million is needed for efforts to improve anti-terrorism and force protection, including meeting existing security standards, purchase of equipment, and training. \$12.8 million is needed to implement a new program against chemical-biological-radiological threats and \$44 million is needed to improve access to data and applications to insure continuity of operations in case of a major disruption, and to provide additional secure networks.
- Army National Guard: +\$160.2 million. Congress authorized the establishment of 55 National Guard Civil Support Teams to assist state and local first responders, but only 32 have been created and funded. These teams provide immediate assistance to local authorities especially in cases involving weapons of mass destruction. These

funds would cover the start-up costs for 18 additional Civil Support Teams, including additional personnel, equipment, and initial operations.

- Army Reserves: +\$66 million. The Army Reserves will provide emergency/redeployable medical facilities and personnel in cases of disasters created by weapons of mass destruction. Shortfalls in the Army reserve budget for training and relocating deployable military hospitals currently limit the Reserves ability to meet this mission. These additional funds will cover the Reserves WMD training costs.

Mil Con

- Each of the services has submitted to the House Appropriations Committee a detailed listing of unfunded military construction projects that are required to insure the security of our military installations located in the United States. These projects tend to be relatively simple upgrades that can be executed within the year that funds are received. The total requirement is \$1.24 billion dollars:
 - The Army: +\$457 million for 54 projects going to the Army, the Army Reserve, and the National Guard. Fencing, guardhouses, and other perimeter improvements make up the bulk of the list.
 - The Marines: + \$176 million needed for training facilities, improved fire protection, and security enhancements like gates and fencing.
 - The Navy: +\$510 million for 59 projects, which are in their plan for future years but can be put forward now. Typical are projects to increase perimeter security, guardhouses, and improved lighting for piers located on the water.
 - The Air Force: +\$98 million for 17 projects. Typical are gate improvements and fencing.

Homeland Security

- Coast Guard Iraq operations: +\$400 million

HOMELAND SECURITY

Homeland Security Issue voted on in prior bills:

Agriculture

- FDA: +\$18 million for medical devices and radiological emergency preparedness, including radiological standards, related to radiological health, development work with industry on decontamination devices, safety of imported medical devices. [Funding provided as a contingent emergency in the FY 2002 spring supplemental, but President did not declare the emergency.]
- FSIS: +\$15 million for development of a shared data repository compatible with Customs on imported food, and for other increased foreign food review activities. Consistent with section 332 of the Public Health Security and Bioterrorism Preparedness Response Act of 2002 (“PHSBPRA”). [Funding provided as a contingent emergency in the FY 2002 spring supplemental, but President did not declare the emergency. Authorized in the Bioterrorism bill that passed House 425-1 and Senate 98-0]
- USDA: +\$50 million for enhanced research into methods of detecting and monitoring Foreign Animal Disease (FAD) outbreaks in the US, for continued development of laboratory and veterinary personnel capability to handle an FAD outbreak and for work to ensure a current and sufficient stockpile of veterinary vaccines. This is slightly more than 25% of the first year funds authorized under section 335 of PHSBPRA. [Authorized in the Bioterrorism bill that passed House 425-1 and Senate 98-0].
- FDA: +\$100 million: to fund the activities under section 302 of PHSBPRA relating to protection of food at the full authorization level for the first year. [Authorized in the Bioterrorism bill that passed House 425-1 and Senate 98-0].
- FDA: +\$10.5 million for advance funding of a 2004 budget request for funds to comply with 305 of PHSBPRA, which requires registration of all domestic and foreign food establishments by

December 12, 2003. In light of the early deadline and the possibility that the FY 2004 bill will not be enacted on time, it is advisable to provide these funds in a supplemental bill. [Authorized in the Bioterrorism bill that passed House 425-1 and Senate 98-0].

- FDA: +\$24.5 million for grants to states to take necessary activities related to imported foods and domestic food safety, as authorized in sections 311 and 312 of PHSBPRA. [Authorized in the Bioterrorism bill that passed House 425-1 and Senate 98-0].

EW

- + \$132 million for Physical Security at Federal Dams and Navigation Waterways. Since the 9/11 terrorist attacks, the Army Corps of Engineers and the Department of the Interior's Bureau of Reclamation have been given additional funds for near term security measures, primarily for more guards and overtime payments and to conduct specific site-by-site vulnerability assessments. Both agencies have concluded a large number of these assessments, but have no funds in fiscal year 2003 to purchase the equipment needed to rectify the problems identified in the assessments. In Interior's case, this includes 55 assessments of its facilities listed as National Critical Infrastructure. A terrorist attack on a federal dam could result in a significant loss of life, severe economic disruption, and significant environmental damage. An attack on key commercial locks and waterways could cripple key business sectors of our economy, such as agriculture and the movement of coal, or flooding in communities such as those along the Mississippi River. [The Congress provided \$108 million for this purpose in the 2002 supplemental act, which was rejected by OMB/Administration. \$24 million is new money for the Department of Interior]

VAHUD

- Environmental Protection Agency: +\$50 million for a water systems vulnerability analysis. This continues the program begun in the original Homeland Security Supplemental to fund studies of terrorist vulnerability of local water systems. It was funded at \$83 million and included surveys of the largest systems and technical assistance for mid size and small systems. [Funding provided as a contingent

emergency in the FY 2002 spring supplemental, but President did not declare the emergency.]

HOMELAND SECURITY (CONT'D)

Homeland Security Issue not voted on in prior bills:

Agriculture

- FSIS/FDA: +\$10 million for training FSIS inspectors and FDA inspectors on the voluntary industry guidance on homeland security measures issued by both agencies. Consistent with recommendations in GAO report issued this month.

CJS

- FBI -- +\$882 million. The FBI requested \$805 million in supplemental funds. This recommendation includes \$117million for security upgrades and backup capabilities, \$317 million for CT/CI investigation capabilities, \$120 million for technology upgrades, and \$81 million for cyberterrorism defenses and investigations. In addition to the requested funding, included in this level is \$130 million for Trilogy cost overruns, \$48 million for expansion of FBI Legat capabilities, \$14 million for border security, and \$50 million to cover increased State and local costs on FBI terrorism task forces.
- AGs Office: +\$5 million for additional staff in the Office of Intelligence Policy and Review. This office is responsible for preparing and filing all necessary legal documents to allow the FBI to do foreign intelligence surveillance.
- IGs Office: +\$5 million for additional staff to increase USA Patriot Act and Counterterrorism Oversight.
- Information Sharing: +\$50 million to increase the ability of law enforcement agencies at the Federal, State and local levels to better share threat information. \$48 million would be used to strengthen existing DOJ systems like RISS and LEO. \$2 million would be used to fund background investigations to ensure that State and local officials have appropriate clearances.

- Judicial Security: +\$27 million to provide additional Deputy US Marshals at high-threat courts around the country.

EW

- +\$300 million in additional nuclear non-proliferation programs, to include installation of large-area nuclear detectors at 9 overseas ports through which about half of all containerized shipping enters the U.S.; nuclear non-proliferation work in other nations to include acceleration of programs in Russia, expansion of programs outside Russia, improved monitoring and analysis of covert nuclear activities in countries like North Korea and Iran, fielding of near-term analytical technologies, and international activities to eliminate materials that could be used in “dirty bombs”; DOE support to the Department of Homeland Security and other agencies to improve domestic and international export controls; and identification and disposition of nuclear materials in post-conflict Iraq.
- +\$50 million to improve security of nuclear weapons, and deadly radioactive and other toxic materials, at DOE nuclear weapons plants, labs, remediation sites, and world-class science facilities once DOE publishes its new post 9/11 security standards (called Design Basis Threat).
- +\$10 million to improve DOE’s intelligence capability for detecting illicit nuclear activities in North Korea, Iran, Iraq and other locations, as well as increased monitoring of chemical and biological threats.

Homeland Security

- Chemical plant vulnerability assessments -- +\$350 million. According to a GAO March 2003 report, the federal government has not comprehensively assessed the chemical industry's vulnerabilities to terrorist attacks. No federal agency currently monitors or documents the extent to which chemical facilities have implemented security measures. \$350 million would be provided to EPA to assess the vulnerability of those chemical plants within populations of 100,000 or more with worst-case accidental release scenarios.

- ODP: 30 Major Metropolitan Areas -- +\$500 million. Major metropolitan areas are faced with an increased burden of security as a result of the high threat level. This funding would be distributed to the top 30 major metropolitan areas based on a population formula weighing the top ten areas more heavily.
- Port security grants -- +\$550 million. This would bring funding for port security grants up to the Coast Guard cost estimate of \$938 million in the first year. This funding will be used for ports to make facility improvements and conduct vulnerability assessments. Ports should not wait until the Department of Homeland Security finishes all of its vulnerability/threat assessments before obvious security improvements are made.
- Firefighter Assistance Grants -- +\$150 million. This would bring fire grants up to the \$900 million authorized for this program. A Dec. 2002 Needs Assessment of the US Fire Service found that: overall, fire departments do not have enough portable radios to equip more than about half of the emergency responders on a shift; the majority of fire department portable radios are not water-resistant, and more than 3/5th lack intrinsic safety in an explosive atmosphere, about 1/3 of firefighters per shift are not equipped with self-contained breathing apparatus, only 2/5th of fire departments can communicate with all of their partners, and nearly half of all fire departments have no map coordinate system.
- Coast Guard -- +\$240 million: Bring 2,000 additional personnel proposed by President Bush for FY 2004 on board immediately and grow the Coast Guard back to the level it was in 1982. In addition, \$62 million would be included for port vulnerability assessments, and \$100 million for increase maintenance needs.
- Coast Guard –Ports and Waterways Safety System -- +\$90 million: This funding would be used to expand the PAWSS system currently in Norfolk to 11 additional ports (Boston, Charleston, Philadelphia, Jacksonville, Baltimore, Honolulu, San Francisco, Los Angeles, Corpus Christi, San Juan and Wilmington NC)

- Border and Port of Entry Staffing, including tripling Northern Border Staffing. The Patriot Act called for a tripling of inspector staffing on the Northern Border and an additional 1,500 inspectors would triple staffing (\$100). In addition, \$100M would be provided for increased technology on the Northern Border, separate from entry/exit. Both Customs and INS have traditionally been below their optimal staffing level models and an additional 5,000 inspectors would bring them closer (but not at) these staffing models (\$300M)
- Container Security Initiative -- +\$45 million. Fully fund requirements, as outlined by Commissioner Bonner
- Interoperability -- \$500 million. Some estimate that as much as \$3 billion is needed to ensure nation-wide interoperability of equipment. In addition to the funding provided for first responders, \$500 million would be provided specifically to improve interoperability.
- Airport Security Improvement Projects -- \$500 million. The FY 2003 omnibus included an authorization of \$500 million for a new grant program for airports to fund security improvements, such as modifications necessary to properly integrate explosive detection systems in airports, and airport perimeter security upgrades. The American Association of Airport Executives estimate that up to \$6 billion may be needed. In addition, up to \$100 million of these funds could be used to reimburse airport for the costs incurred to protect America as the terrorist threat level increases.

Interior

- National Park Service Construction -- +\$50 million. These funds would support infrastructure security upgrades at the Washington Monument, Jefferson and Lincoln Memorials and other high priority NPS historical parks identified as “national icons”. \$18 million of this is requested in the FY 2004 Budget and the Park Service testified on March 19, 2003 that it expected to have final approval for all projects in D.C. from all planning agencies completed in May. The estimate to do the Washington, Lincoln and Jefferson sites was \$41 million a year ago.

- Department of Interior -- +\$36.0 million. The Department has continued to accrue extraordinary operating costs as it has maintained high levels of security the National Mall and adjacent sites. This is principally U.S. Park Police and ranger personnel costs. In addition, law enforcement personnel from throughout the Department have provided increased support for security, whether as part of border monitoring or security of facilities such as dams on federally owned property. The Secretary would allocate funds among agencies.

Labor/HHS/Education

- Assistance for state and local health departments with cost of smallpox vaccination – +\$400 million. Much of the cost of the current nationwide campaign to vaccinate selected hospital and health care workers against smallpox is being borne by the state and local health departments who have been given responsibility for carrying it out. Little federal financial assistance has been provided for smallpox vaccination (apart from supplying the vaccine), although the vaccination campaign was initiated and directed by the Federal Government. The Administration is now telling states and localities to fund this effort out of their bioterrorism preparedness grants, but those grants need to be used for their original purposes. Costs have been fairly high, since extensive education, pre-vaccination screening, and post-vaccination follow-up is required for use of this somewhat risky vaccine. Health departments, which are already hard pressed by state budget crises, report that the smallpox vaccination program has diverted staff and funds from other public health functions (including bioterrorism preparedness). This supplemental would cover the cost of a substantial number of vaccinations. If costs exceed the \$400 million provided (because of the number of people vaccinated, for example) Congress should commit to providing additional funds to cover the reasonable cost of the program. If costs prove to be less than the amount provided, unused funds would be added to the basic grant programs for public health preparedness and hospital preparedness to meet other pressing needs.
- Compensation for injuries caused by smallpox vaccinations – up to \$150 million. The proposal calls for enacting a mechanism to provide people who volunteer to receive smallpox vaccinations with reasonable compensation to cover the costs resulting from any serious

adverse effects of the vaccine, as well as similarly compensating anyone injured by transmission of the vaccine virus from someone who was vaccinated. If legislation is enacted separately establishing a compensation mechanism but requiring appropriations to fund that mechanism, then the supplemental should include an appropriation sufficient to provide ample assurance that compensation will be available for all those who need it.

- Improved CDC capacity to deal with infectious diseases -- +\$30 million. These funds would be used to strengthen infectious disease control programs at CDC, including those dealing with emerging infections, foodborne illnesses, and antimicrobial resistance. CDC's infectious disease control resources have been stretched thin by problems like West Nile virus, and the regular FY 2003 appropriation provided no increase at all (and actually cut general purpose funding). These supplemental funds would help CDC respond to outbreaks like the current cases of Severe Acute Respiratory Syndrome, as well as to be better prepared to respond to a bioterrorist attack.
- Upgrading capacity of state health labs to deal with chemical terrorism threats -- +\$75 million. These funds would be used by the CDC to help additional state health laboratories develop capacity to perform rapid analysis of clinical samples to identify the presence of chemical terrorism agents. So far, funding for this purpose has been provided to only five states. These need additional assistance and many more state labs need to develop this capacity. The proposal assumes that some of the needed funding could come from the ongoing public health preparedness grants, but that supplemental funds should be provided to avoid diverting resources from other pressing needs.
- Grants to Schools for Emergency Preparedness -- +\$30 million. Each day, about 20 percent of the nation's population is located in 92,000 public schools. This includes 48 million school children and over 5 million teachers, administrators, and other school personnel. These funds would help our nation's schools strengthen emergency response and crisis management plans, acquire communications equipment, train school personnel and parents in emergency response procedures, and coordinate with local law enforcement, public safety, health, and mental health agencies.

Currently, the Administration plans to award \$39 million in FY 2002 and FY 2003 emergency preparedness grants to school districts this summer. Given the war and severe state budget shortfalls that school districts are facing, a large number of school districts are expected to apply. Although the Administration has requested \$30 million for this purpose in the FY 2004 budget, these additional funds will not reach school districts until *next year* (spring of 2004) at the very earliest. Providing the additional \$30 million in the war/homeland security supplemental would accelerate the federal assistance that school districts need *this year*, and nearly double the number of schools that would get help to upgrade their crisis response plans.

Treasury/Transpo

- Amtrak tunnel safety +\$100 million -- Amtrak has a approximately \$780 million estimated need for life/safety upgrades to tunnels they own that run into and out of New York City, Baltimore and Washington, DC. A potential terrorist action could be catastrophic due to inadequate evacuation shafts, lighting, communications equipment, ventilation and security. We provided \$100 million to get this work started in the FY02 supplemental (and the Long Island Railroad -- which shares use of the NY tunnels -- has already contributed \$220 million).

VAHUD

- EPA: +\$200 million for response to chemical attacks and to strengthen laboratories. Responsibility for responding to chemical attacks is assigned to the EPA under the recent Homeland Security authorization. In addition to building capacity generally within health departments to manage such events, the main need is laboratory capacity to analyze and respond to purported chemical attacks.
- Veterans:
 - +\$131 million for enhancement of emergency preparedness. This amount is to establish, deploy, restock and track Pharmaceutical Caches, provide personal protective equipment, decontamination equipment, and training of VA health care workers.

- +\$10 million for additional funds to complete VA facilities studies to prepare for a terrorism incident.
- NASA: +\$21 million for civil aviation security and safety. NASA has responsibility for aircraft technology. This amount would forward fund the agency's 04 request for its R&D efforts in aviation security, vehicle safety and system safety technologies.

INTERNATIONAL

CJS

- Embassy Security: +\$80 million to fund advance fund critical security construction needs around the world.
- Middle East TV -- +\$36 million. Would fully fund Broadcasting Board of Governors proposal to begin TV efforts in the Middle East to provide a more accurate news alternative than are currently available in the region. Broadcasts would include CNN-style news as well as entertainment programming. Effort will be key in maintain stability in the region during the war and rebuilding process.